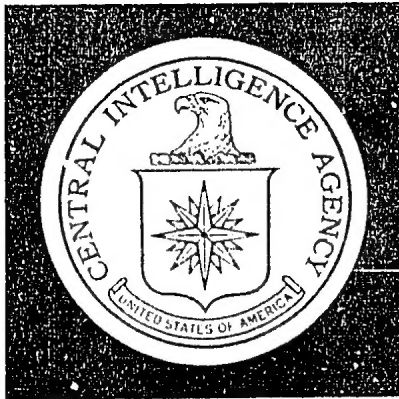


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# Intelligence Memorandum

*Economic and Military Factors Contributing to  
Dissidence in Cambodia's Ratanakiri Province*

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July 1968

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CENTRAL INTELLIGENCE AGENCY  
Directorate of Intelligence  
July 1968

INTELLIGENCE MEMORANDUM

Economic and Military Factors  
Contributing to Dissidence  
in Cambodia's Ratanakiri Province

Summary

The economic development of Ratanakiri Province has been spearheaded by the improvement of roads and the development of the state-owned rubber plantation at Buong Long. The indigenous highland tribal groups -- Khmer Loeu -- resent the government's intrusion and view the program as a threat to their domain and their seminomadic existence.

The result has been a number of armed clashes between Cambodian military units and the local tribes and a marked increase in the number of army units stationed in Ratanakiri. The military buildup apparently is not directly related to the Cambodian Government's attempts to investigate the use of Cambodian territory by Viet Cong and North Vietnamese forces. The Vietnamese Communists are probably encouraging the unrest, however, in order to divert government forces from investigative activities into their base areas by tying down a number of army units in anti-insurrection operations.

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Note: This memorandum was produced solely by CIA. It was prepared by the Office of Economic Research and was coordinated with the Office of National Estimates and the Office of Current Intelligence.

### Introduction

1. Ratanakiri Province in the northeast corner of Cambodia has experienced armed rebellion in the early months of 1968. The Cambodian Government has been pursuing a program of economic development in the area, has taken steps to tighten its controls against smuggling there, and has sent out patrols to investigate the presence of Vietnamese Communist troops in the province. The patrols have located some evidence that foreign forces had bivouacked in the area, but have reported no contact with Communist forces despite abundant evidence that their combat forces and support units are in the area. During the same period, security posts and patrols have been harassed by attacks by the indigenous Khmer Loeu and several additional battalions have been deployed to cope with the situation.

### Government Construction and Development Projects

2. Cambodia's legacy from French colonialism was a largely subsistence economy. The little economic development undertaken by the French in Cambodia, such as roads and rubber plantations, was as an appendage to their administration from Saigon. Since independence, Cambodia has developed slowly. The major economic investments have been made by the central government, most often with foreign assistance. Development has been concentrated in the heavily populated areas of the south-east -- for example, the construction of port facilities at Sihanoukville with road and projected rail connections to Phnom Penh. Economic development in the sparsely populated frontier provinces of the northeast, north, and northwest has been left largely to the military administration in these areas. Their work has been focused on the construction and improvement of roads in conjunction with the establishment of new army posts and some civic action programs.

3. The Cambodian Government has been slowly developing Ratanakiri Province for many years. Roadbuilding has been given first priority in order to open up this backward area for colonization. Ratanakiri has rice growing areas, and rice culture is to be expanded along the Tonle (River) San and the Tonle Srepok. Colonization by ethnic Cambodians has been slow so far, and has been

concentrated in the four main towns -- Lomphat, Buong Long, Virachei, and Andaung Pech\* -- which have a combined population of about 15,000. The Khmer Loeu, who constitute the bulk of the population outside of the towns, are estimated by the province chief to number about 48,000.

4. Road construction and maintenance accelerated during the past year in Ratanakiri Province. Some road projects have been completed, but, since March 1968, most of the remaining work has been curtailed because of the Khmer Loeu insurgency.

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Much of the maintenance and construction involves grading and the application of a laterite surface to improve the all-weather capabilities of the roads.

5. During the past six months, road improvement work has been concentrated on National Route 19 from its junction with Route 13, eastward through Buong Long to Pak Nhai (see Figure 1). Route 19 is the main artery to the state-owned Preah Sihanouk rubber plantation at Buong Long (see Figure 2). The rubber plantation now covers almost 3,000 hectares,\*\* and by 1969 is to be expanded to 4,000 hectares. More than a thousand houses for workers are scheduled to be constructed in 1968-69, bringing the total to 1,300 by the end of 1969. The government has budgeted 20 million riels\*\*\* for the improvement of roads serving the plantation and another 20 million riels for the purchase of land and equipment and for additional road and water development within the plantation. The development of Route 19 eastward from Buong Long will facilitate

\* Formal town names are used throughout this memorandum. In some cases, however, popular variations enjoy more widespread usage. Some of these are listed below:

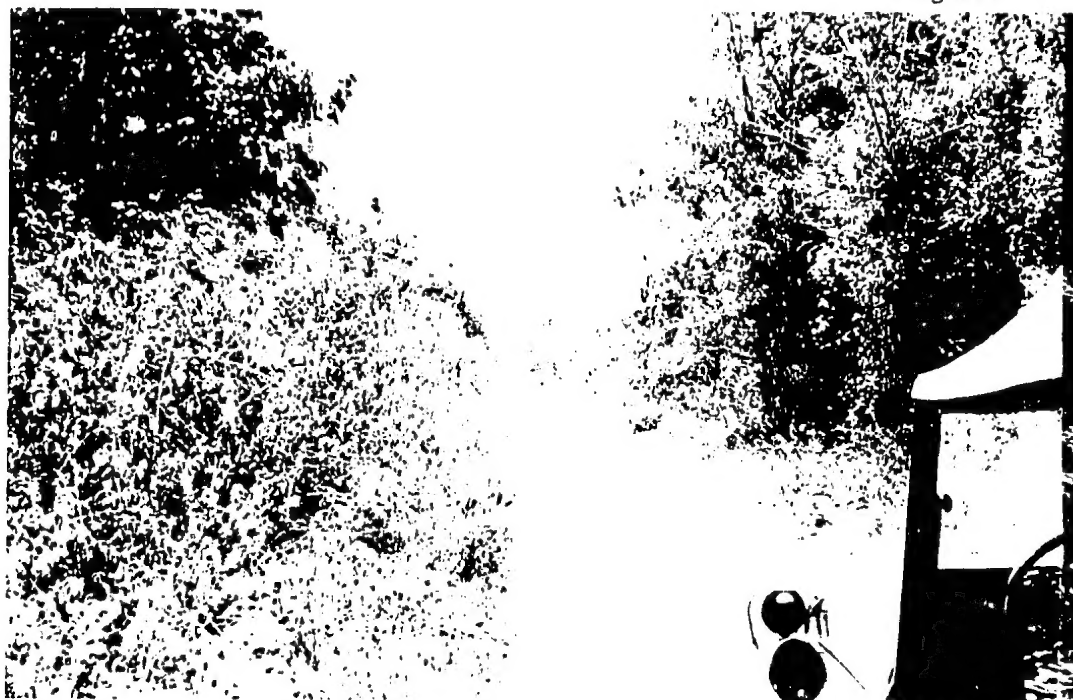
<u>Formal Name</u>	<u>Popular Name</u>
Andaung Pech	Bo Kheo
Buong Long	Labansiek
Virachei	Voeune Sai

\*\* 1 hectare equals 2.471 acres.

\*\*\* US \$1 equals 35 riels.

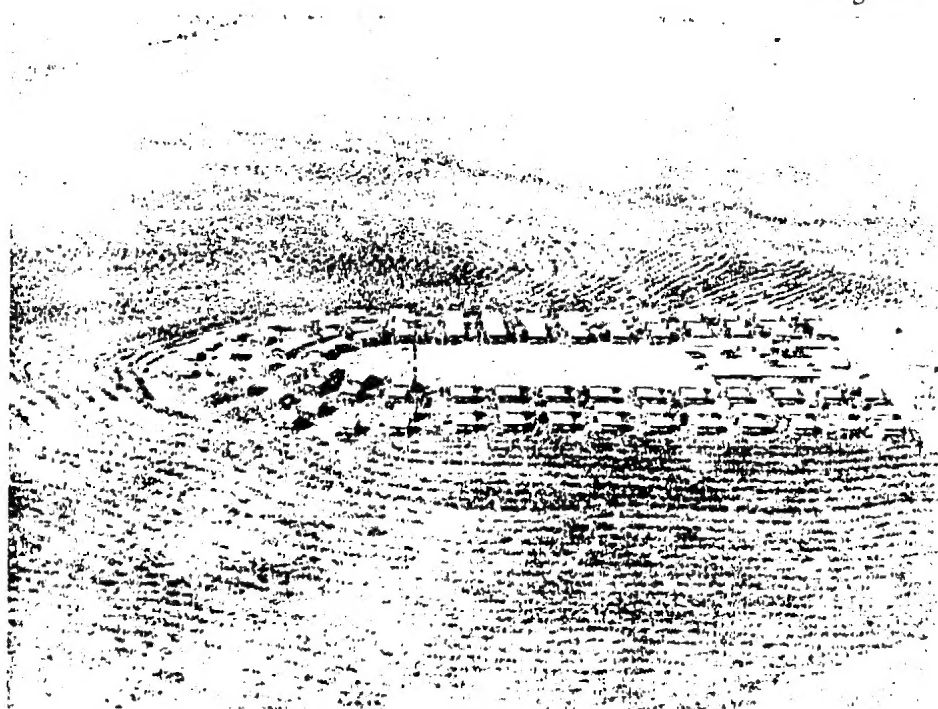
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Figure 1



Route 19 -- 15.8 miles east of Andaung Pech, near Pak  
Nhai, 1967

Figure 2



Preah Sihanouk Rubber Plantation near Buong Long,  
1966

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the movement of defensive units and supplies to border areas where several new military posts were being constructed and troop strengths were being increased.

6. In January 1968 [redacted] working on Route 194 between Buong Long and Virachei and from Lomphat southeast to Takok Phnong in Mondolkiri Province. The most rapidly implemented project, however, involved the construction of a new road, designated Route 1944, extending from Route 194 just north of Buong Long northward beyond the Tonle San. Some 30 kilometers of this road were completed in January, and by late May it had been extended about 19 kilometers to the northeast from the Tonle San. Such rapid construction is unprecedented for Cambodian road projects, which normally progress only about 8 kilometers per month. Although this road is being extended from across the Tonle San to the northeast within a few kilometers of a Vietnamese Communist supply area, there is no evidence to link Communist interests with its construction.

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7. In addition to the road improvement work, new military camps and barracks to house additional troops are under construction at Andaung Pech and Buong Long. Several security posts apparently are being constructed or improved at points near Route 197, northeast of Andaung Pech.

#### Tribal Dissidence in Ratanakiri Province

8. The Royal Cambodian Government (RKG) has been faced with armed dissidence by tribal groups in Ratanakiri Province since early 1968. The dissidents are indigenous highland tribal elements referred to by the Cambodians as Khmer Loeu.\* Many of these natives practice slash and burn agriculture, which results in exhaustion of the soil in about three years and necessitates a seminomadic existence, although within a limited area. Surpluses from their principal crops -- dry rice, corn, cotton, and tobacco -- are sold or bartered. The Khmer Loeu supplement farming with hunting, and some are reputedly excellent weavers and ironmongers. On

\* *The Khmer Loeu are essentially the same ethnic elements referred to by the South Vietnamese as Montagnards.*

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occasion they also are hired as guides or porters, by Cambodians as well as by the Vietnamese Communists.

9. The Khmer Loeu attacks have been concentrated around Route 19 from Andaung Pech to Buong Long and Route 194 from Buong Long to Virachei, with the greatest incidence of violence in the area of Andaung Pech\* (see Figure 3). Most of the attacks have apparently been made by groups of 100 men or less.\*\*



Figure 3. "Main Street", Andaung Pech

The most frequent targets have been ARK patrols, although several outposts also have been attacked. The rebels also have attempted to interdict roads by burning bridges, establishing numerous road-blocks, and planting mines.

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10. The trouble stems primarily from RKG efforts to develop the area economically and strengthen control over it. The Khmer Loeu, over the years, have developed a resentment for the superior attitude that the people of the lowlands traditionally hold toward them, and view the developmental activities as incursions into their domain and threats to their

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seminomadic existence and livelihood. To them the programs for economic development mean increased government control, possible relocation, and a decrease in the area available for slash and burn agriculture and hunting. Their ingrained fears and resentments probably have been played on by the Vietnamese Communist forces that maintain base areas in close proximity to some mountain villages. Although the Vietnamese generally distrust the mountain tribesmen and subject them to strict security controls, they have conducted agitation and propaganda campaigns among tribes along the South Vietnam border, and have formed a few armed irregular units composed of these people.\* Incitement of the natives would serve the short-run objectives of the Vietnamese Communist forces by necessitating a withdrawal of ARK units from search and border patrols to combat the insurrectionists. In the long run, however, such activity could only strengthen the RKG's resolve to bar the Communists from Cambodian territory.

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\* *Prince Sihanouk, in a speech at the Royal Military Academy on 13 June, asserted that some of the Khmer Loeu rebels were "equipped with machine-guns and automatic weapons" and were "wearing classic military uniforms."*

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Vietnamese Communist Base Areas\*\*

13. Vietnamese presence in Ratanakiri Province has been concentrated for several years in three base areas that have been designated 609, 701, and 702 (see Figure 4). Base Area 609 extends out of Laos to encompass the Cambodian triborder area and portions of South Vietnam. It is served by a network of trails and from Laos by Route 110, which North Vietnamese troops have extended eastward and southward through the base area into South Vietnam. It is an important transshipment point for military supplies from North Vietnam and rice from Cambodia

*\*\* A base area is an area which contains numerous semipermanent facilities for bivouacking, storage, and defense, and which is frequently occupied by one or more Communist units for sanctuary, resupplying or regrouping, or any combination of these.*

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(via southern Laos) destined for Communist forces in Kontum Province, and for supplies moving further into South Vietnam. It also serves as a sanctuary, command area, and a major way station on the line of infiltration to the south. The area contains numerous bivouac areas as well as medical and storage facilities.

14. Base Area 702 is cradled in the bend of the Tonle San just north of where Route 19 crosses into South Vietnam. The river, Route 19, and numerous trails provide ample lines of communication. It is used mainly as a staging and bivouac area, but also serves as another way station on the line of infiltration, and apparently is used to some extent for the production and storage of foodstuffs. There are many prepared areas within the base, the majority being designed to support bivouacking combat units. The enemy has made frequent use of the area.

15. Base Area 701 lies almost immediately south of 702, extending roughly 30 kilometers south from Route 19, and about 20 kilometers west from the border with South Vietnam. The area, in the main, is a storage-support base, containing numerous storage facilities -- principally for rice and other foodstuffs -- in addition to a number of bivouac areas. Base Area 701 also is served by Route 19, a secondary road running to the south of the area from Lomphat, and an extensive system of trails. Several native villages here, as in the other base areas, apparently have been taken over by Viet Cong and North Vietnamese forces for billeting and storage. Enemy activity has been concentrated around the numerous villages in the northern portion of the base area.

16. In addition to these base areas, there are also a number of Vietnamese Communist infiltration support stations along Cambodia's eastern border in Ratanakiri Province whose sole purpose is the provision of supplies, medical care, and shelter to infiltration groups.

Supplies Obtained by the Vietnamese Communists  
in Ratanakiri Province

17. Since the Communists positioned significant forces in the rice-deficit areas of South Vietnam's highlands in early 1965, these forces have been

[redacted]

obtaining foodstuffs and other commodities from and through Ratanakiri Province. Although the Vietnamese Communists reportedly receive Cambodian rice under a quasi-official agreement with the government, part of the rice requirements for these forces has been obtained from outlying villages, sometimes by Communist "taxation." Rice and other supplies have also been purchased through local officials and merchants who diverted to the Vietnamese Communists some of the commodities intended for local distribution. Although the volume of Cambodian goods reaching Viet Cong and North Vietnamese forces via Ratanakiri Province has not been established, available evidence indicates that it is substantial.

18. The Cambodian Government has exerted increasing efforts to stop smuggling activities, including the smuggling of supplies to the Vietnamese Communists. By the latter half of 1967, the government's efforts had succeeded in some reduction of the flow of Cambodian commodities into South Vietnam. In Ratanakiri Province, in early September 1967, government antismuggling investigations implicated several officials, including the province chief, and all apparently were removed from office. Continuing investigations resulted in additional charges of smuggling against lower level province officials in December 1967. In early 1968 more effective controls, including the establishment of checkpoints on the roads, continued to reduce smuggling through Ratanakiri Province although certainly not stopping it.

19. The government's efforts to reduce smuggling have had mixed effects on the tribal groups. For some, the availability of commodities should be improved, while for others, their income has been reduced. In any event, the effects were less significant in instigating the Khmer Loeu rebellion than longstanding grievances.

Investigation of Viet Cong and North Vietnamese  
Use of Cambodian Territory

20. If Vietnamese Communist elements have, in fact, promoted the Khmer Loeu dissidence, it would indicate the deterioration of a tacit live-and-let-live understanding which they apparently have had with local security forces for several years.

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[REDACTED]

[REDACTED] On the other hand, captured documents show that Communist units have standing instructions to be circumspect in their contacts with Cambodians, and they have, for the most part, limited their activities to the long-established remote base areas. The mere fact that Cambodian security posts have long existed in such close proximity to areas used by Viet Cong and North Vietnamese forces strongly suggests a certain amount of cooperation, or at least mutual restraint.

21. Higher echelons of the Cambodian Government have become increasingly aware of the extent of Viet Cong and North Vietnamese use of Cambodian territory. Knowledge of the situation has antagonized Prince Sihanouk, as evidenced by his frequent public declarations against such activities. On 22 April 1968, for example, Sihanouk claimed to have "considerable evidence" of Vietnamese Communist presence among the tribal dissidents.

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25. ARK units apparently launched their investigative patrols following Sihanouk's receipt of US information concerning Viet Cong and North Vietnamese use of Cambodian territory. Local ARK authorities, however, are undoubtedly aware of the locations of Communist facilities and are probably avoiding them on their patrols. Thus they have managed to placate the higher authorities who ordered the patrols without disrupting the tacit agreement with the Vietnamese Communists which apparently has existed for some time. The expectation of continuing and possibly more effective patrols, however, could have prompted the Vietnamese Communists to encourage the native dissidence.

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